Exhibit 37

Corporate Compliance Quarterly Report to Board of Directors 4Q2011

January 19, 2012

Bert Weinstein
Vice President, Corporate Compliance

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Corporate Integrity Agreement - Annual Report

- CIA Fourth Annual Report filed with OIG 9/23/11
- Received limited number of "minor" clarifying questions from OIG Monitor in early January:
  1. Charter, Organization and Process for Sales Discipline Committee (SDC)
  2. Override process to Permit Calls on restricted specialties
  3. Instances of DMs Not Observing All Calls During Ride-Alongs
  4. Follow Up on Comparative Claims and Customers Email Investigations
- Successfully answered questions posed by OIG Monitor, with minor follow up near completion on numbers 1 and 2 above

Current Pharma Industry Compliance Update

2001-2010 ~ $16 Billion in Federal Pharma Settlements

2011 ~ $6.5 Billion in Federal "Off-Label" Settlements announced

- GSK $3 Billion
- Abbott 1.5 Billion
- Merck 950 Million
- Amgen 750 Million
- J & J 270 Million
- Sandoz 150 Million

- More to follow – A-Z, Cephalon, Novo-Nordisk, Pfizer, Alcon
- Many State cases and over 150 "whistleblower" cases
- Message at National Sales Meeting: "No Time for Let Up"

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Theme: The Importance of Transparency

Emphasis on “Compliance transparency” theme with the Sales Force:

- Whenever we have had issues and dealt appropriately with them, OIG has been satisfied, and taken no action
- Ask questions when in doubt!
- Raise concerns and mistakes with Sales Management or Compliance, or through the Hotline anonymously
- We want to fix issues before they become big problems

OIG Roundtable Meeting

- Mary Riordan, Senior Counsel of OIG, announced in November OIG's plan to reach out to selected compliance officers of CIA companies, to join OIG in Washington for a roundtable discussion of best practices and ideas for improvement of CIAs.
- ~25 Compliance Officers invited to attend February 23rd
- Topics will include:
  - Challenges in implementing CIAs
  - Board oversight activities performed
  - Monitoring activities
  - Future challenges
  - Post-CIA plans

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Federal Physician Payments Sunshine Act

- 2010 Federal Sunshine Act requires pharmaceutical and device manufacturers to annually report to Health and Human Services, and post on public website, payments and other transfers of value to Physicians and Teaching Hospitals, including meals, gifts, consulting fees.
- **October 1, 2011** - Statutory deadline for CMS to issue regulations as mandated in the Sunshine provisions – *Not Issued*
- **December 14, 2011** - Draft Sunshine regulations published in the Federal Register for public comment, following criticism by Senators
- **February 17, 2012** - Deadline for public comment on the proposed Sunshine regulations
- As a result, reporting for 2012 has been delayed significantly

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Sunshine Act

Draft Regulations Contain Industry-Unfriendly Allocation Rules

- Employees of physicians are included as covered recipients, but benefits to them to be allocated only to physicians for whom they work; e.g., cost of meals loaded on doctors, resulting in higher expenses reported
- The Draft Rules provide that the value of items provided at physician group practices to be allocated among all physicians in the group; e.g., expense allocated to all doctors whether partaking in meal or not!
- Result: More doctors and practices restricting access

Sunshine Act

Comments, due February 17th, expected to be submitted by Purdue, PhRMA, others, covering areas of concern, including:

- Physician expense allocation methodologies
- Identification of covered physicians
- Implications for international affiliates not doing business in US
- Treatment of certain materials, such as marketing and medical materials distributed to physicians
- CRO payments
- Delayed reporting of research payments (trade secret protection)
- Reporting formats, timing

Preparations for Intermezzo Launch

- Purdue Compliance group preparing for training and operations with Quintiles Management, including Compliance Officer
- Will train 275 Sales Representatives, 32 District Managers, 4 Regional Managers
- Training to be provided on compliance and Purdue culture
- Expectation is that Intermezzo Contract Sales Force will function consistent with Purdue Sales Force, including:
  - Monitoring/auditing of field activities
  - Investigation and discipline process
  - Documentation of sales calls
  - Sampling

Speaker Program Update

- Speaker programs are a relatively high risk activity, in view of the potential for off-label or other improper promotional conduct by third parties during such activities.
- FDA recently issued a warning letter on another company's program
- Purdue has a live monitoring process
  - All programs monitored and reported on by Purdue attendees
  - 8.5% of all speaker programs have had an independent monitor in attendance (exceeds recent CIA standards)
  - To date no substantive concerns have been identified, and minor issues appropriately addressed

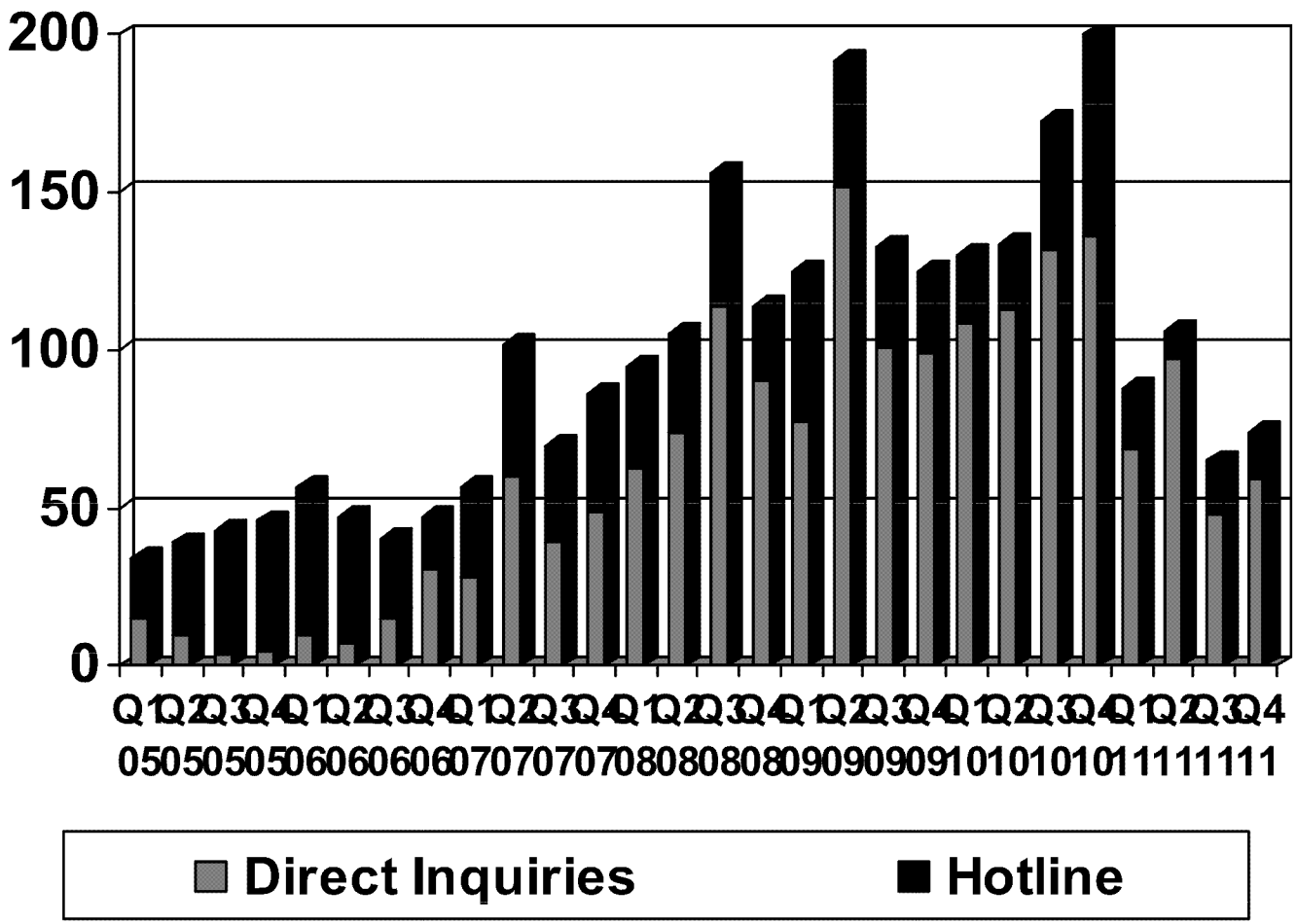
Hotline and Other Inquiries 4Q2011

There were 74 matters total closed in 4Q11:

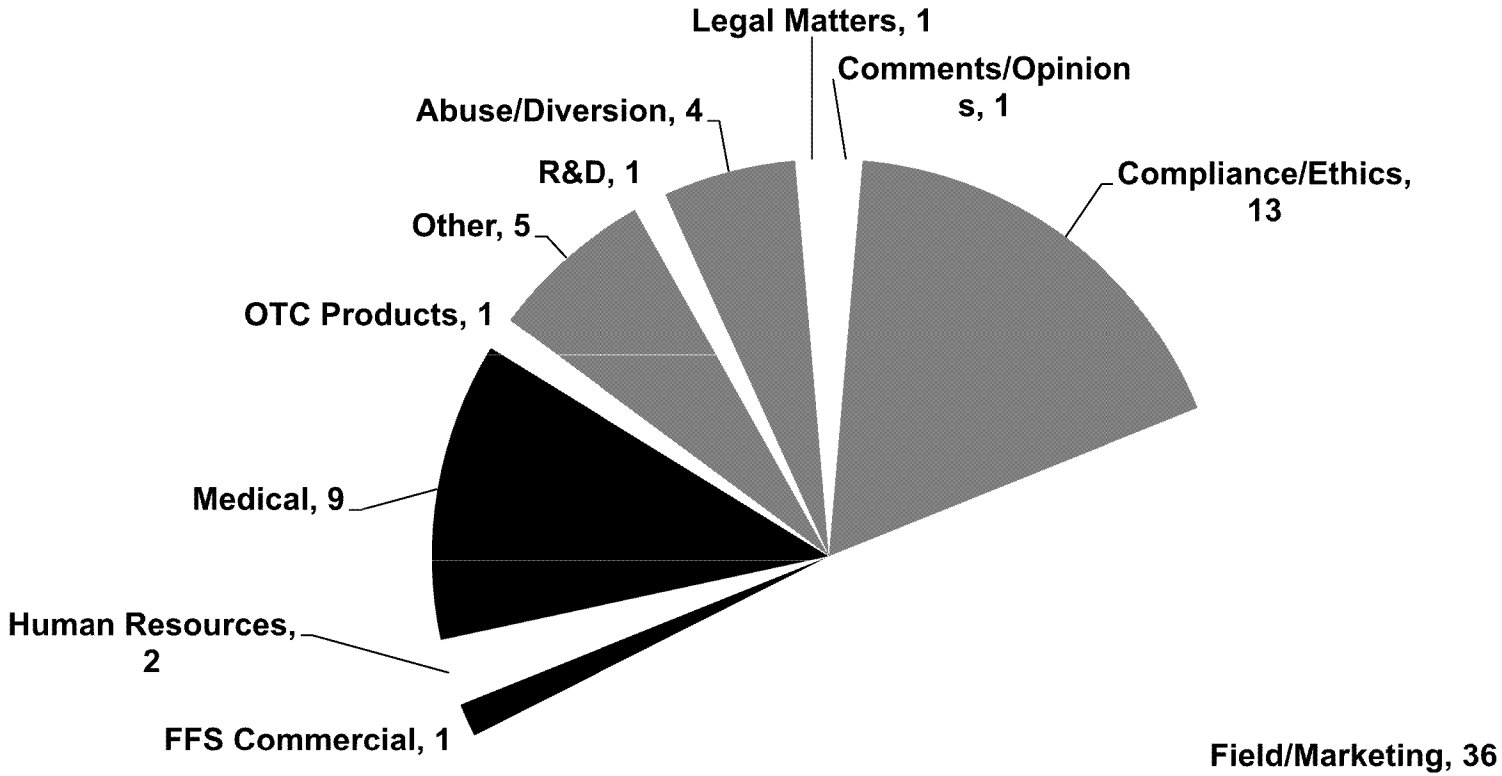
- 36 sales matters involving representatives' potential improper promotion and poorly written call notes, and speaker program issues
- All such matters are reviewed at weekly Sales Discipline Committee and monthly Reportable Events Committee meetings
- All matters evaluated under CIA notification standards – No Reportable Events

Appendix

Inquiries by Quarter (1Q05 – 4Q11)



4Q 2011 Compliance Inquiries



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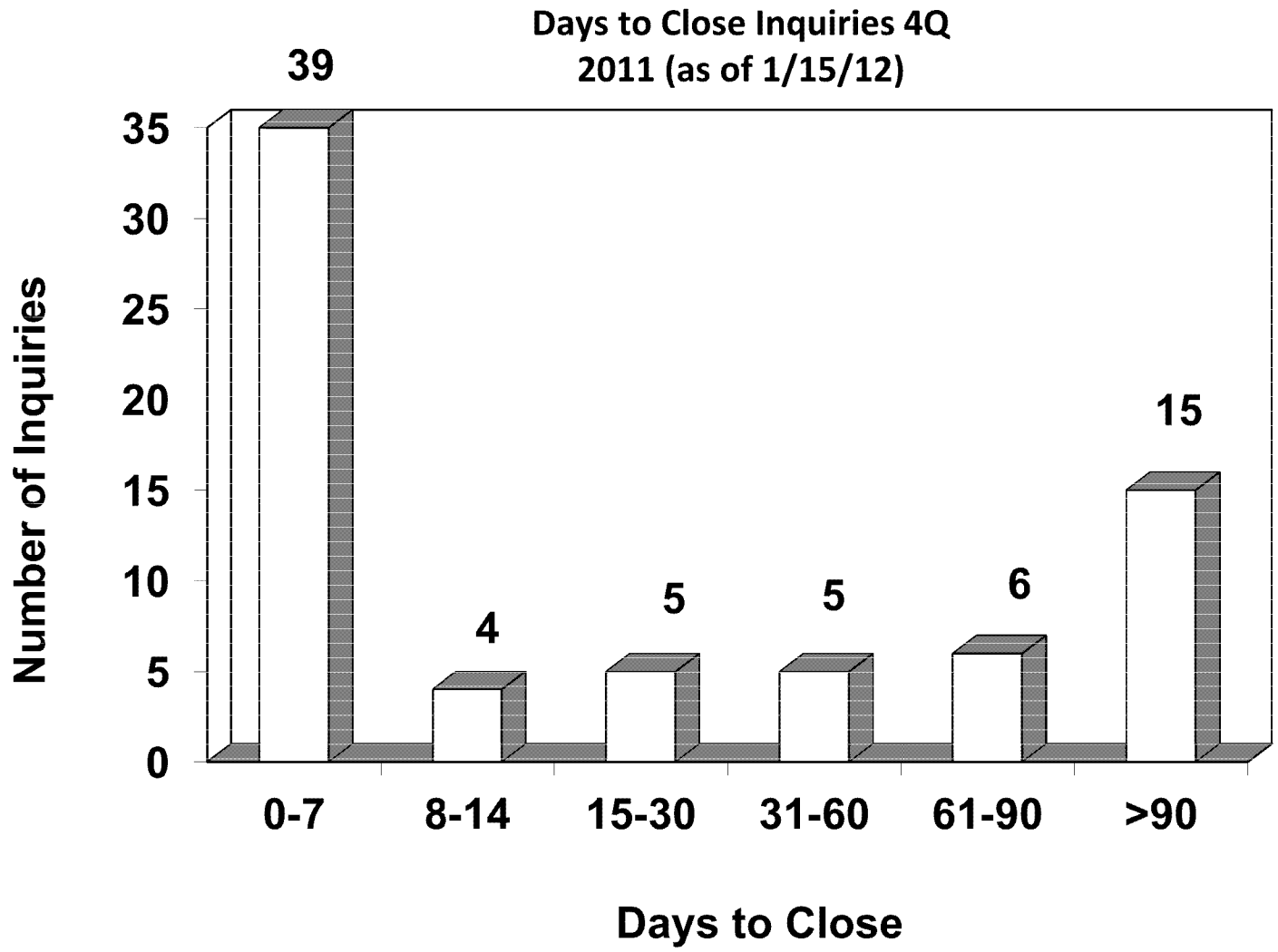
4Q 2011 Inquiry Response Time



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